

AWARENESS OF CUSTOMER WITH REFERENCE TO MOBILE BANKING SERVICES IN BENGALURU CITY

KAVYASHREE H.¹ & DR. CHANDRASHEKAR M MATHAPATI²

¹Research Scholar, Department of PG Studies and Research in Management, Karnataka State Akkamahadevi Women's University, Vijayapura, Karnataka, India.

²Assistant Professor, Department of PG Studies and Research in Management, Karnataka State Akkamahadevi Women's University, Vijayapura, Karnataka, India.

ABSTARCT

The study was carried out to ascertain the influence of demographic factors and factors that motivate people residing in Bengaluru city to use the m-banking. The data was subjected for statistical analysis using Chi-square test. Analysis of data revealed the awareness of mobile banking in 97.16 percent of respondents. Employment status ($p=0.003$), service sector ($p=0.024$) and average monthly income ($p=0.028$) were the significantly influencing demographic factors of m-banking awareness. Significantly higher number of customers used m-banking in internet browsers in mobile ($p<0.0001$) and m-banking applications ($p<0.0001$). Also, significantly ($p<0.0001$) high number of customers used UPI based m-banking services than other m-banking forms. M-banking was significantly used for balance enquiry ($p=0.000$) and managing savings ($p=0.012$). M-banking was significantly ($p<0.0001$) used for balance enquiry (96.35%) than other purpose.

KEYWORDS: Banking, Customer, M-banking, Demographic factors, Technology.

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INTRODUCTION

Banking plays a key role in India's economy and has become an integral part of our lives. Mobile phones can be used to perform basic banking transactions such as checking balances, paying bills, and transferring money from anywhere anytime. Mobile banking (or m-banking) is a provision of banking services through mobile devices. According to Reserve bank India (RBI), the number of registered customers rose by 54% to 251 million at end-March 2018 from 163 million at end-March 2017 (The Economic Times August 29th, 2018). Also, the volume of digital transactions using m-banking channel has witnessed sharp annual increases (227.7% in 2018-19 as against 91.7% in 2017-18). The acceleration in value terms has also been remarkable at 99.5 percent, which was substantially higher than 12.5 percent witnessed during 2017-18.

Presently, banking customers are inclining toward online banking. M-banking assists banks to meet customers' needs by extending innovative services that have no limitation of time and place which results in increased customer satisfaction. To avail these benefits of m-banking services, customers must be aware of m-banking services and their benefits.

LITERATURE REVIEW

Nidhi Singh, Neena Sinha and Guru Gobind Singh (2016):

The study revealed that customers' age and occupation has an impact on the use of mobile banking services and

their perception of mobile banking services.

Ekta Sidhu, ChinmayKhare and Simran Sidhu (2020)

The study focused on the perception of mobile banking by considering education, gender, age, income level of users in India. Security provided by m- banking and customer perception can be changed by government intervention and bullet proof policies to ensure the safeguard of customer information.

Gayatri and Bhuvaneswari (2019)

This study revealed that people in rural areas should be educated in order to make them aware and make them use mobile banking services.

Janmejaya and Dileep Kumar Singh (2020)

This study revealed that trust and Security, Convenience and Transaction Speed are the most influential factors of Mobile Banking with respect to customer awareness and customer satisfaction.

NEED FOR THE STUDY

The increasing trends in m-banking use lead to high demand for m-banking services. Therefore, from the view point of both banks and customer's interest it is very important to study customer awareness level of m-banking services to meet their needs and satisfaction. Hence, this study was carried out to find the m-banking awareness and to ascertain the influence of factors on m-banking customers in Bengaluru city.

OBJECTIVES OF THE STUDY:

- To evaluate the awareness of mobile banking services among the consumers.
- To determine the demographic factors that motivates the customer to use mobile banking services.

RESEARCH METHODOLOGY

Survey method was followed under descriptive research study. Primary data was collected from m-banking users in Bengaluru and secondary data was collected through various sources. Random sampling was adopted for a sample size of 141 in Bengaluru City. The collected data was subjected to Chi-square analysis.

LIMITATIONS OF THE STUDY

- Findings and conclusions drawn are applicable only to Bengaluru.
- Results cannot be generalized; sample size was restricted to 141.

HYPOTHESIS

- H₁: Customers of Bengaluru are well aware of mobile banking services.
- H₂: Demographic variables of customers are influencing customers to use mobile banking services.

RESULTS

The analysis of collected data revealed the awareness of m-banking in 97.16 percent of respondents. Analysis of the data pertaining to demographic factors revealed male post graduate non-Bengalurean customers of age group 36-40 years who

are living in Bengaluru for the past 1 to 5 years and serving in the private sector with an average monthly income of Rs. 25,000 to Rs. 50,000 had the highest awareness of m-banking service provided by various banks. However, only employment status ($p=0.003$), service sector ($p=0.024$) and average monthly income ($p=0.028$) were significantly influencing demographic factors of m-banking awareness (Table 1).

Similarly, analysis data revealed the highest percent of customers with m-banking awareness had an account in a single bank (60.58%) and are using m-banking for the past 2 to 3 years (29.93%). Interestingly, 47.45 percent of the customers are using the m-banking services daily (Table 2). Also, for m-banking, 87.59 percent used internet browser, 83.21 percent used SMS, 95.62 percent used UPI, and 89.78 percent used m-banking applications. Interestingly, 59.12 percent and 81.02 percent customers have not used IVR and USSD based m-banking. Surprisingly, 52.55 percent of customers use only a single m-banking application. However, 82.48 percent of customers use multiple UPI based m-banking services (Table 2). Statistical analysis of data revealed a significant number of customers use m-banking in internet browsers in mobile ($p<0.0001$) and m-banking applications ($p<0.0001$) (Table 2). Also, a significantly ($p<0.0001$) high number of customers use UPI based m-banking services (98.54 %) and the least used form m-banking was USSD (18.98%) (Table 3).

Analysis of data pertaining to the purpose of using m-banking revealed its use for balance enquiry (94.89%), mini statement/ account summary (92.70%), fund transfers (93.43%), bill payment (83.94%), purchasing activities (80.29%), credit management (51.09%), managing savings (62.04%) and debit/credit card services (78.10%). Interestingly, 51.09 percent of respondents don't use m-banking services for cheque transactions activities. Statistical analysis of these data revealed significant use of m-banking for balance enquiry ($p=0.000$) and managing savings ($p= 0.012$) (Table 4). Also, statistical analysis revealed the significant ($p<0.0001$) use of m-banking services for balance enquiry (96.35 %) and the least use for cheque transactions (49.64 %) (Table 5).

CONCLUSIONS:

The majority of the customers in Bengaluru region are aware of mobile banking services extended by various banks. The demographic factors viz., employment status, service sector and average monthly income had a significant influence on mobile banking awareness in customers of Bengaluru region. Awareness programmes on the use of mobile banking for cheque transactions, savings and credit management services may be carried out by the service providers. Also, these results must be validated in larger customer sectors before drawing any conclusions in the investigation of the impact of mobile banking services.

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Table 1: Demographic Factors Influencing M-Banking Awareness

Variable	Group	Awareness Percentage	χ^2 -value	p-value
Age	21-25	21.28	7.976	0.240
	26-30	21.28		
	31-35	11.35		
	36-40	23.40		
	41-45	12.06		
	46-50	6.38		
	>50	4.26		
Gender	Male	65.25	2.193	0.139
	Female	34.75		
Native of Bengaluru	Yes	46.10	0.738	0.390
	No	53.90		
Years in Bengaluru	1 to 5	21.99	9.216	0.418
	6 to 10	18.44		
	11 to 15	14.89		
	16 to 20	13.48		
	21 to 25	12.06		
	26 to 30	7.09		
	31 to 35	2.13		
	36 to 40	4.26		
	41 to 45	2.13		
	46 to 50	3.55		
Education	Intermediate	1.42	4.043	0.400
	Graduate	30.50		
	Post Graduate	45.39		
	PhD	18.44		
	Others	4.26		
Employment	Business	10.64	16.240	0.003
	Housewife	3.55		
	In Service	65.25		
	Self employed	6.38		
	Student	14.18		
Service Sector	Government	29.08	11.290	0.024
	Public Sector	5.67		
	Private	45.39		
	Entrepreneur	4.26		
	Other	15.60		
Average Monthly Income (Rs.)	<25,000	16.31	10.890	0.028
	25,000-50,000	31.91		
	50,000-75,000	9.93		
	75,000-1,00,000	17.02		
	>1,00,000	24.82		

Table 2: Influence Of M-Banking Services on Customers

Variable	Group	Awareness Percentage	χ^2 -value	p-value
Account in Bank	Single Bank	60.58	0.340	0.560
	Multiple Banks	39.42		
Usage of m-banking	≤ 1 year	20.44	4.095	0.251
	2 to 3 years	29.93		
	4 to 5 years	21.90		
	≥ 6 years	27.74		
Monthly use of m-banking	Twice or thrice	21.17	3.289	0.349
	>10 times	25.55		
	Daily	47.45		
	No Usage	5.84		
MB_Internet_Browser_Mobile	Yes	87.59	23.520	<0.0001
	No	12.41		
MB_SMS	Yes	83.21	0.186	0.667
	No	16.79		
MB_UPI	Yes	95.62	0.183	0.669
	No	4.38		
MB Applications	Yes	89.78	28.130	<0.0001
	No	10.22		
MB_IVR	Yes	40.88	2.712	0.100
	No	59.12		
MB_USSD	Yes	18.98	0.931	0.335
	No	81.02		
MB applications use	Single	52.55	4.500	0.212
	Multiple	29.93		
	Others	13.14		
	None	4.38		
UPI service based m-banking applications	Single app	13.87	0.5119	0.9163
	Multiple app	82.48		
	Others	1.46		
	None	2.19		

Table 3: Form Of M-Banking Used by Customers Who are Aware of M-Banking Services

Form of m-Banking	Percentage	χ^2 -value	p-value
Internet Browser in Mobile	87.59	319.40	<0.0001
SMS	85.40		
IVR	40.88		
USSD	18.98		
UPI	98.54		
M-banking applications	89.78		

Table 4: Purpose of Using M-Banking Services Offered by Various Banks

Variable	Group	Awareness Percentage	χ^2 -value	p-value
Balance enquiry	Yes	94.89	13.110	0.000
	No	5.11		
Mini statement/ Account summary	Yes	92.70	1.693	0.193
	No	7.30		
Fund transfers	Yes	93.43	2.004	0.157
	No	6.57		
Bill payments	Yes	83.94	3.170	0.075
	No	16.06		
Cheque transactions	Yes	48.91	0.890	0.346
	No	51.09		
Purchases	Yes	80.29	2.183	0.140
	No	19.71		
Credit management	Yes	51.09	1.059	0.304
	No	48.91		
Savings	Yes	62.04	6.249	0.012
	No	37.96		
Debit/Credit cards	Yes	78.10	1.749	0.186
	No	21.90		

Table 5: Purpose of Using M-Banking by Customers aware of M-Banking Services

Purpose of using M-banking	Percentage	χ^2 -value	p-value
Balance enquiry	96.35	196.300	<0.0001
Mini statement/ Account summary	94.89		
Fund transfers	95.62		
Bill payments	85.40		
Cheque transaction	49.64		
Purchases	81.75		
Credit management	51.82		
Savings management	62.04		
Debit/ Credit card services	79.56		